

1.1 INTRODUCTION

In June 2001, the Bureau of Land Management (BLM) and Western Area Power Administration (Western) issued the Big Sandy Energy Project Draft Environmental Impact Statement (EIS) (BLM and Western 2001). After June 2001, Caithness Big Sandy, L.L.C. (Caithness), revised aspects of the Big Sandy Energy Project (Project) described as the Proposed Action in the Draft EIS. Since June 2001, BLM and Western have received new information potentially relevant to the identified environmental concerns. Council on Environmental Quality (CEQ) regulations for implementing the National Environmental Policy Act (NEPA) (Title 40 Code of Federal Regulations [CFR] Part 1502.9(c)(1)) state that agencies (i.e., BLM and Western) shall prepare a supplement to an EIS if:

- (i) The agency makes substantial changes in the proposed action that are relevant to environmental concerns; or
- (ii) There are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts.

The U.S. Department of Energy's (DOE) (Western's parent agency) procedures for implementing NEPA (10 CFR 1021.314(c)) state that when it is unclear whether or not an EIS supplement is required, DOE shall prepare a Supplement Analysis (SA):

- (1) The SA shall discuss the circumstances that are pertinent to deciding whether to prepare a supplemental EIS (SEIS), pursuant to 40 CFR 1502.9(c).
- (2) The SA shall contain sufficient information for DOE to determine whether:
 - (i) An existing EIS should be supplemented,
 - (ii) A new EIS should be prepared, or
 - (iii) No further NEPA documentation is required.

Western's Administrator issued a determination to prepare the SA in October 2001. By considering information in this document and the Project Administrative Record, BLM and Western will ensure that their decision is reasonable and not made in an arbitrary or capricious manner. The SA was prepared by URS consultants. A URS conflict of interest disclosure statement has been reviewed and accepted by the lead agencies. BLM and Western will consider the following factors to determine whether the Draft EIS should be supplemented or no further NEPA documentation is required before the issuance of the Final EIS:

- (1) If the revisions to the Proposed Action, or if the new environmental circumstances or information create new significant impacts, as determined under significance criteria developed for the Draft EIS and the impact will affect the quality of the human environment to a significant extent not already considered, and;
- (2) If the new information provides a seriously different picture of the environmental impact of the proposal from what was previously envisioned, evaluated, and considered such that another "hard look" is necessary; or
- (3) If an SEIS would further the purposes of NEPA.

1.2 EIS PROCESS

BLM and Western published a Notice of Intent to prepare an EIS for the Project in the Federal Register on April 18, 2000. BLM and Western hosted a public information and scoping meeting on May 3, 2000, in Wikieup, Arizona. The scoping period ended on June 2, 2000, but BLM and Western solicited and accepted comments throughout the EIS preparation process. The agencies also hosted a public workshop on the Project EIS in Wikieup on August 29, 2000, and attended a public workshop in Peach Springs, Arizona, on August 30, 2000, hosted by the Hualapai Nation. The Draft EIS was issued in June 2001 and a Notice of Availability was published in the *Federal Register* on June 22, 2001; 440 copies of the Draft EIS have been distributed. BLM and Western held a public workshop and a public hearing in Wikieup, Arizona, on July 10, 2001 and July 24, 2001, respectively. During the 45-day comment period, 38 comment letters on the Draft EIS were received.

Representatives of the following cooperating agencies have participated in the EIS process:

- Arizona Department of Water Resources (ADWR)
- Arizona Game and Fish Department (AGFD)
- Arizona Department of Transportation
- Hualapai Nation
- Mohave County (through the Planning and Zoning Department)
- U.S. Fish and Wildlife Service (USFWS)

1.3 SUMMARY OF PROPOSED ACTION

Caithness proposes to construct, operate, and maintain a baseload 720-megawatt powerplant and ancillary facilities. The proposed powerplant site is about four miles southeast of Wikieup, Arizona, and about two miles east of where U.S. Highway 93 (U.S. 93) crosses the Big Sandy River. Groundwater pumped from Project wells would provide cooling for the steam generation cycle and turbine inlet air. The Proposed Action includes:

- The powerplant and associated facilities and operations, including the plant cooling system, waste management operations, lighting, and fire protection and other safety systems;
- A 500-kilovolt (kV) substation, with associated transmission line modifications and communications facilities;
- A water supply system consisting of deep groundwater wells and associated facilities; and
- Actions to reduce or prevent environmental impacts.

As an independent power producer, Caithness proposes to construct a merchant powerplant and sell power to customers and the spot market. At the time the Draft EIS was distributed (June 2001), the Mohave County Economic Development Authority (MCEDA), working with Caithness, proposed limited agricultural development (about 107 acres) in conjunction with the development of the powerplant.

To market the generated electricity, Caithness has applied to Western for an interconnection with the existing Mead-Phoenix Project 500-kV transmission line, which provides access to the

regional transmission system. Caithness has also applied for authorization to build portions of a natural gas pipeline, water supply pipeline system, and electric and control lines across public lands administered by the BLM.